



Update: Improving BEA's Regional Data

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Program Initiatives\New Statistics

- State and metropolitan area real personal income
- PCE by State
- Quarterly GDP by State



Real Personal Income

- Release of official statistics for the first time April 24, 2014
- Coverage
 - Annual statistics: 2008-2012
 - States and metropolitan areas
- Based on regional price parities (RPPs)



Real Personal Income

- RPPs
 - Compare to national average
 - Compare to other regions
 - Adjust regional statistics
- Real personal income
 - Compare changes across time
 - Use national PCE price index

State-level PCE Statistics

- Uses of geographic PCE statistics
 - Fiscal policy, regional macro and I-O analysis
 - Geographic marketing information
 - Consumption as a measure of economic well-being
- Existing approaches to PCE-by-state measures
 - Retail sales
 - State tax receipts
 - Household survey data
 - Scale national totals to population or income

State-level PCE Statistics

- **Comprehensiveness**
 - Nominal expenditures for 15 major PCE categories
 - Both goods and services
 - Prepared at more detailed level and aggregated to major categories
- **Consistency**
 - Annual time series 1997-2007, extrapolating to 2012
 - NIPA definitions and concepts
 - Retain key data sources for NIPA estimates ; use national control totals
 - Consistent with other BEA regional statistics
- Adjust for out-of-state spending in receipts-based data; aligns state personal income and expenditures

State-level PCE Statistics

- PCE includes
 - Out-of-pocket household spending
 - Spending on behalf of households
 - Imputations
 - Owner-occupied housing
 - Financial services without explicit payment
 - Net expenditures of non-profit institutions serving households



State-level PCE Statistics

- Prototype PCE by State for 2007-2012:
August 2014
- Survey of Current Business Article:
September 2014
- Planned Official Release in 2015



Quarterly GDP by State

- Prototype release in August, 2014
 - Covers 2007-2013
 - Quarterly data
- Other features
 - Industry detail (21 industries)
 - Consistent definitions across time



Quarterly GDP by State

- Earlier read on state of the economy
- Earlier identification of weakening industries
- More precise timing of upturns and downturns in state economic activity
- Survey of Current Business Article: September 2014

The banner features a blue background with a bar chart on the left showing data for various states. The chart has bars of varying heights, with some labeled with numbers like 44,479, 36,279, 35,845, 19,271, 1,698, 724,210, 1,75, and 19,679. The BEA logo is in the top right corner.

Resources

Bettina H. Aten, Eric B. Figueroa, and Troy M. Martin, “Real Personal Income and Regional Price Parities for States and Metropolitan Areas, 2007–2011,” *Survey of Current Business*. August, 2013.

Christian Awuku-Budu, Ledia Guci, Christopher A. Lucas, and Carol A. Robbins, “A First Look at Experimental Personal Consumption Expenditures by State,” *Survey of Current Business*. August, 2013.

Lam Cao, Charles Ian Mead, Todd Siebeneck, and Catherine (Zheng) Wang,
“A First Look at Experimental Quarterly Gross Domestic Product by State,” *Survey of Current Business*. September, 2013.